

July 22, 2025

Jason M. Lewis, Chair Joint Committee on Education State House, Room 511-B Boston, MA 02133

Kenneth I. Gordon, Chair Joint Committee on Education State House, Room 473G Boston, MA 02133

RE: 7/21 Joint Committee on Education Legislative Hearing

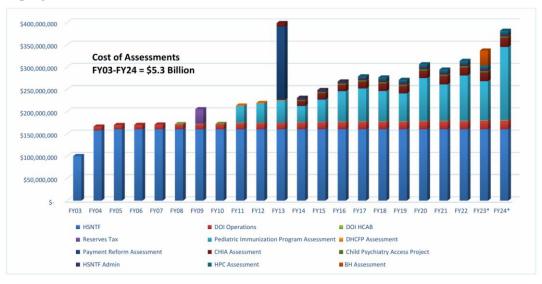
MAHP Oppose: House No. 590

Dear Chairs Lewis and Gordon,

On behalf of the Massachusetts Association of Health Plans and our 13-member health plans and one behavioral health organization, providing health insurance coverage to nearly 3 million Massachusetts residents, we appreciate the opportunity to share feedback on the following bill before your committee that will raise costs for small businesses and their employees. Health care affordability is the number one challenge facing individuals and small businesses in this state, driven by ever-increasing prices for prescription drugs, hospitals and providers. Without action to address the key cost drivers, the Commonwealth cannot make health care more affordable. We offer our feedback below.

House No. 590, An Act relative to emergency stock supply of epinephrine in schools – Oppose

H590 would impose a new assessment on health plans and employers to fund the cost of supplying non-patient-specific epinephrine to every school in the state. Imposing new assessments on health plans, on top of substantial existing assessments, will further increase health care costs for employers, exacerbating the challenge they face to make high-quality, affordable coverage available to their employees. Between 2003 and 2024, health plans and employers have expended over \$5.3 billion on taxes and assessments to fund state programs.



Adding new assessments runs counter to containing health care costs and keeping health care spending within the Commonwealth's cost growth benchmark. Such assessments have an especially severe impact on Medicaid managed care organizations (MCOs) that derive revenue from capitated contracts with MassHealth. Additional assessments would further exacerbate an unfavorable earning situation for these plans and only shift costs to consumers and employers, rather than addressing the underlying problem of increasing pharmaceutical costs.

If supplying schools with epinephrine is a priority for the Commonwealth, we recommend the state explore successful approaches previously undertaken. For example, Massachusetts established a naloxone bulk purchasing program for municipalities funded through legislative appropriations. This program has significantly reduced the cost of lifesaving naloxone for first responders. Municipalities that participate in this program can save over \$20 per dose if they purchase through this program.

A similar approach can be taken with regard to the bulk purchase of epinephrine. In fact, the FY2018 budget included a provision for the Department of Public Health to establish a Municipal Epinephrine Bulk Purchase Trust Fund to allow municipalities and school districts to purchase epinephrine through the State Office of Pharmacy Services. The revenue for this fund would come from payments made by participating municipalities, money authorized by the legislature, and funds from public or private sources including gifts, grants, donations, rebates, and settlements received by the Commonwealth.

Should the state seek to stock schools with epinephrine, these efforts should be funded through the General Fund or through the methods established by the Municipal Epinephrine Bulk Purchase Trust Fund rather than requiring those who purchase private insurance for their families or employees to pay for it. An appropriate alternative would be to require the Department of Public Health and the Department of Elementary and Secondary Education to make reasonable efforts to obtain federal funding or reimbursement for implementation of such a legislative directive as well as inquire about free epinephrine from pharmaceutical companies. This alternative approach would not increase health care costs for employers and consumers by assessing health plans to pay for epinephrine for primary and secondary schools.

For the above reasons, we **OPPOSE House No. 590.**

Thank you for the opportunity to share our concerns. Please do not hesitate to contact me for additional information or to discuss this bill further.

Sincerely,

Lora M. Pellegrini, President and CEO Massachusetts Association of Health Plans